

## Request for Quote/Proposal (RFQ/RFP)

Commodity/Service Required:	Consulting Firm for Independent Impact Assessment of the Costs and Benefits of the Proposed Philippines Capacity Market
Type of Procurement:	Fixed Price
Type of Contract:	Purchase Order
Term of Contract:	2-3 months (10 weeks)
Contract Funding:	USAID
This Procurement supports:	USAID – Energy Secure Philippines Activity
Submit Proposal to:	Jan Ranizen F. Vitan, Grants and Procurement Analyst, ESP RTI International <a href="mailto:jvitan@energysecure.ph">jvitan@energysecure.ph</a>
Date of Issue of RFP:	June 05, 2024
Date Questions from Supplier Due:	June 12, 2024
<b>Date Proposal Due:</b>	June 19, 2024
Approximate Date Purchase Order Issued to Successful Bidder(s):	June 24-28, 2024

<b>Method of Submittal:</b>	
<b>Email to:</b> kmamucud@energysecure.ph	
Respond via e-mail with attached document in MS Word / pdf format. The Bidder/Seller agrees to hold the prices in its offer firm for <b>90 days</b> from the date specified for the receipt of offers, unless another time is specified in the addendum of the RFP/RFQ.	
Solicitation Number:	ESP-RFQ-2024-142

### Attachments to RFP:

1. Attachment “A” – Commodity Specifications
2. Attachment “B” – Instructions to Bidders/Sellers
3. All PO Terms and Conditions are listed on our website at forth at:  
<https://www.rti.org/sites/default/files/rti-purchase-order-terms-and-conditions-v1.16.pdf>,  
<http://www.rti.org/files/PO FAR Clauses.pdf> or for commercial items:  
<http://www.rti.org/files/PO FAR Clauses Commercial Items.pdf> (hereinafter the “Terms”).  
 Supplier’s delivery of products, performance of services, or issuance of invoices in connection with this purchase order establishes Supplier’s agreement to the Terms. The Terms may only be modified in writing signed by both parties.

All bidders/sellers are responsible to carefully review each attachment and follow any instructions that may be relevant to this procurement.

# Attachment A

## Commodity Specifications or Statement of Work

### Statement of Work

Indicate a description of the activity/service that is expected from the supplier. Provide product specifications or service expectations (both if applicable). Include deliverables, timelines, and any special terms and conditions.

#### Description of Activity/Service:

The Department of Energy under Republic Act No. 7638 is mandated to ensure a continuous, adequate and economic supply of energy with the end in view of ultimately achieving self-reliance in the country's energy requirements through the integrated and intensive exploration, production, management, and development of the country's indigenous resources, and through the judicious conservation, renewal and efficient utilization of energy to keep pace with the country's growth and economic development and taking into consideration the active participation of the private sector in the various areas of energy resource development.

Under Republic Act No. 9136 (EPIRA), the DOE is further mandated to: (a) ensure the quality, reliability, security and affordability of the supply of electric power; (b) protect the public interest as it is affected by the rates and services of electric utilities and other providers of electric power; and (c) assure socially and environmentally compatible energy sources and infrastructure.

The DOE has established the wholesale electricity spot market (WESM) pursuant to Section 30 of the EPIRA, composed of the wholesale electricity spot market participants in which, the market provided the mechanism for identifying and setting the price of actual variations from the quantities transacted under contracts between sellers and purchasers of electricity. The DOE recognizes that there is a need to increase the available capacity in the grid for the next coming years.

In view of the DOE's efforts to continuously improve the reliability, quality and security of the grid, the DOE believes that there is a need to explore and develop additional market mechanisms to encourage additional investments in the power industry in which in other countries such as the United Kingdom, different forms of Capacity Markets are already established to ensure adequate supply of electricity. To provide for other venue to create additional capacity in the power industry, the DOE contemplates to establish a Capacity Market. It is in this premise that the DOE proposes to request technical assistance to study the viability of establishment of the Capacity market in the Philippines.

#### Product or Service Expectations (both if applicable):

The primary objectives of this engagement are as follows:

1. Survey of current laws, policies, rules and regulations that are relevant for the establishment of Capacity market.

2. Propose policy, legal and regulatory framework that will govern the establishment and operation of a capacity market including the role of the relevant entities in the implementation to include the Independent Electricity Market Operator of the Philippines (IEMOP), Philippine Electricity Market Corporation (PEMC), Energy Regulatory Commission (ERC) and DOE, specifically:
  - i. Recommend the appropriate design and steps for implementation of capacity market in the Philippines;
  - ii. Recommend the appropriate policies, regulations, design specifications, participants, for the establishment and development of the capacity market in the Philippines.
  - iii. Assess the technical infrastructure required for the establishment of the capacity market for electricity;
3. Identify and analyse the economic benefits, risks, and potential effects of capacity market ;
4. Determine the readiness of market participants, including electricity generators, distributors, consumers, to participate in the capacity market;
5. Identify and implement capacity building strategies for all concerned entities whose roles are crucial in the successful implementation of capacity market.

**Deliverables, Timelines, Special Terms and Conditions:**

Study Report/Recommendation on the impact of the proposed establishment of Capacity Market in the Philippines which will provide as follows:

1. Inception Report including survey of existing literature and previous attempts to establish a Capacity Market in the Philippines
2. General Framework on the establishment of the Capacity Market;
3. Design or implementation protocols in the Capacity Market;
4. Technical qualifications of power plants per respective technology that will be part of the capacity market;
5. Determination of possible Loss of Load Expectation (LOLE) upon the implementation of the Capacity Market;
6. Determination of entity that shall manage the capacity market;
7. Conduct of Focus Group Discussions and/or Public Consultations, as necessary; and
8. Final Report

The study will be led by a multidisciplinary team with expertise in energy markets, capacity markets, regulatory affairs, the Philippine policy, legal and regulatory framework and project management. Further, capability, expertise and experience in the following fields is also an advantage:

1. Principal Consultant

**Qualifications:**

- Has 15+ years of experience in electric power industry;
- Has 15+ years of involvement in the electricity market particularly on the following areas:
  - a. Market Management Systems
  - b. Electricity Market Design and Formulation
  - c. Electricity Market Operation and Assessment – Dispatch, Pricing and Trading
  - d. Electricity Market Simulation and Scenario Build up
  - e. Electricity Market Risk and Surveillance

- Has an experience working as advisory/primary consultant to electricity market field – either local or international;
- Has a proven experience in establishing capacity market and other market mechanisms;
- Has participated to trainings related to electricity market management, consultancy, project management and leadership seminars; and
- A licensed Engineer, preferably Electrical Engineer.

## 2. Team Composition

The multi-disciplinary team shall preferably have but not limited to the following team members:

- 2-3 licensed engineers, an economist, a data scientist, an IT and a person practicing law.
- Each member has an experience of 8+ cumulative working years either in the electric power industry, government and regulatory authority, consultancy services or electricity market operations
- Each member has at least basic knowledge and/or experience working on the following field:
  - f. a. Electricity Market Design
  - g. b. Data Analysis and Market Modelling
  - h. c. Energy Policy and Regulatory Framework
  - i. d. Energy Economics and Market Systems
  - j. e. Electricity Market Operations

## 3. The following shall be the considered field of expertise of the composition of team:

### Markets Management Systems (MMS)

- Market Clearing Engine (MCE) specialists
- Security Constrained Economic Dispatch (SCED)
- Scheduling, pricing and dispatch
- Linear and mixed integer programming

### Market Design and Formulation

- Conceptual and detailed designs
- Technical design services
- Market rule to market system specifications
- Scheduling, pricing and dispatch formulation
- Market evolution

### Market Modelling

- Market analysis and forecasting models
- Market simulation

### Distributed Energy Resources (DERs)

- Technical design services

<p><b>Trading Systems</b></p> <ul style="list-style-type: none"> <li>• Trading strategies and platforms</li> <li>• Portfolio optimisation</li> <li>• Technical training</li> </ul> <p><b>Strategy and Advice</b></p> <ul style="list-style-type: none"> <li>• Market systems roadmap</li> <li>• MMS design options</li> <li>• MMS delivery management and advisory</li> <li>• MMS vendor evaluation, selection and management</li> <li>• Market readiness and training</li> </ul> <p><b>Specialist Testing Services</b></p> <ul style="list-style-type: none"> <li>• MCE and SCED</li> <li>• Dispatch and pricing mechanisms and algorithms</li> <li>• Specialised test strategies and scenarios</li> <li>• Automated and certification testing</li> </ul>
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**Pricing**

Item #	Quantity to be Purchased	Description of Preferred Commodity or Services Specifications	Unit of Measure	Unit Fixed Price (Each)	Total Fixed Price (Each)	Lead Time Availability (Number of days for delivery after the contract is signed)
1						
2						
3						
		VAT Tax				
<b>Total Value</b>						

By signing this attachment, the bidder confirms he has a complete understanding of the specifications and fully intends to deliver items that comply with the above listed specifications.

Signature:

Title:

Date:


## Attachment “B”

### Instructions to Bidders/Sellers

1. **Procurement Narrative Description:** The Buyer (RTI) intends to purchase commodities and/or services identified in Attachment A. The Buyer intends to purchase the quantities (for commodities) and/or services (based on deliverables identified in a Statement of Work). The term of the Ordering Agreement shall be from Award Date to the Delivery date of the Offeror unless extended by mutual agreement of the parties. The Buyer intends to award to a single “approved” supplier based on conformance to the listed specifications, the ability to service this contract, and selling price. We reserve the right to award to more than one bidder. If an Ordering Agreement is established as a result of this RFQ/RFP, supplier understands that quantities indicated in the specifications (Attachment A) are an estimate only and RTI does not guarantee the purchase quantity of any item listed.
2. **Procuring Activity:** This procurement will be made by **Research Triangle Institute (RTI International)**, located at

RTI International  
Unit 1410 One Park Drive,  
9th Ave Cor. 11th Drive, BGC, Taguig City

*(insert full address of the office)*

who has a purchase requirement in support of a project funded by

USAID Philippines

*(insert client's name)*

RTI shall award the initial quantities and/or services and any option quantities (if exercised by RTI) to Seller by a properly executed Purchase Order as set forth within the terms of this properly executed agreement.

3. **Proposal Requirements.** All Sellers will submit a quote/proposal which contains offers for all items and options included in this RFQ/RFP. All information presented in the Sellers quote/proposal will be considered during RTI's evaluation. Failure to submit the information required in this RFQ/RFP may result in Seller's offer being deemed non-responsive. Sellers are responsible for submitting offers, and any modifications, revisions, or withdrawals, so as to reach RTI's office designated in the RFQ/RFP by the time and date specified in the RFQ/RFP. Any offer, modification, revision, or withdrawal of an offer received at the RTI office designated in the RFQ/RFP after the exact time specified for receipt of offers is “late” and may not be considered at the discretion of the RTI Procurement Officer. The Seller's proposal shall include the following:
  - (a) The solicitation number:
  - (b) The date and time submitted:
  - (c) The name, address, and telephone number of the seller (bidder) and authorized signature of same:
  - (d) Validity period of Quote:

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- (e) A technical description of the items being offered in sufficient detail to evaluate compliance with the requirements in the solicitation. This may include product literature, or other documents, if necessary.
  - (f) If RTI informs Seller that the Commodity is intended for export and the Commodity is not classified for export under Export Classification Control Number (ECCN) “EAR99” of the U.S. Department of Commerce Export Administration Regulations (EAR), then Seller must provide RTI the correct ECCN and the name of Seller’s representative responsible for Trade Compliance who can confirm the export classification.
  - (g) Lead Time Availability of the Commodity/Service.
  - (h) Terms of warranty describing what and how the warranties will be serviced.
  - (i) Special pricing instructions: Price and any discount terms or special requirements or terms (special note: pricing must include guaranteed firm fixed prices for items requested.)
  - (j) Payment address or instructions (if different from mailing address)
  - (k) Acknowledgment of solicitation amendments (if any)
  - (l) Past performance information, when included as an evaluation factor, to include recent and relevant contracts for the same or similar items and other references (including points of contact with telephone numbers, and other relevant information)
  - (m) **Special Note:** *The Seller, by his response to this RFQ/RFP and accompanying signatures, confirms that the terms and conditions associated with this RFQ/RFP document have been agreed to and all of its attachments have been carefully read and understood and all related questions answered.*
4. **Forms:** Sellers (potential bidders or suppliers) must record their pricing utilizing the format found on Attachment “A”. Sellers must sign the single hardcopy submitted and send to address listed on the cover page of this RFQ/RFP.
5. **Questions Concerning the Procurement.** All questions in regards to this RFQ/RFP to be directed to
- (insert name of procurement officer)*
- at this email address:
- [jvitan@energysecure.ph](mailto:jvitan@energysecure.ph)
- (insert email address of the procurement officer).*
- The cut-off date for questions is *(insert date)*.
- June 12, 2024

both parties as a result of this RFQ/RFP. The Seller shall immediately contact the Buyer's Procurement Officer if the specifications, availability, or the delivery schedule(s) changes. Exceptional delays will result in financial penalties being imposed of Seller.

7. **Documentation:** The following documents will be required for payment for each item:
  - (a) A detailed invoice listing Purchase Order Number, Bank information with wiring instructions (when applicable)
  - (b) Packing List
  - (c) All relevant product/service documentation (manuals, warranty doc, certificate of analysis, etc.)
8. **Payment Terms:** Refer to RTI purchase order terms and conditions found in <https://www.rti.org/sites/default/files/rti-purchase-order-terms-and-conditions-v1.16.pdf> , [http://www.rti.org/files/PO\\_FAR\\_Clauses.pdf](http://www.rti.org/files/PO_FAR_Clauses.pdf), or [http://www.rti.org/files/PO\\_FAR\\_Clauses\\_Commercial\\_Items.pdf](http://www.rti.org/files/PO_FAR_Clauses_Commercial_Items.pdf). Payment can be made via wire transfer or other acceptable form. Sellers may propose alternative payment terms and they will be considered in the evaluation process.
9. **Alternative Proposals:** Sellers are permitted to offer "alternatives" should they not be able to meet the listed requirements. Any alternative proposals shall still satisfy the minimum requirements set forth in Attachment A Specifications.
10. **Inspection Process:** Each item shall be inspected prior to final acceptance of the item. All significant discrepancies, shortages, and/or faults must be satisfactorily corrected and satisfactorily documented prior to delivery and release of payment.
11. **Evaluation and Award Process:** The RTI Procurement Officer will award an agreement contract resulting from this solicitation to the responsible Seller (bidder) whose offer conforms to the RFQ/RFP will be most advantageous to RTI, price and other factors considered. The award will be made to the Seller representing the **best value** to the project and to RTI. For the purpose of this RFQ/RFP, price, delivery, technical and past performance are of equal importance for the purposes of evaluating, and selecting the "best value" awardee. RTI intends to evaluate offers and award an Agreement without discussions with Sellers. Therefore, the Seller's initial offer should contain the Seller's best terms from a price and technical standpoint. However, RTI reserves the right to conduct discussions if later determined by the RTI Procurement Officer to be necessary.

The evaluation factors will be comprised of the following criteria:

- (a) **PRICE.** Lowest evaluated ceiling price (inclusive of option quantities).
- (b) **DELIVERY.** Seller provides the most advantageous delivery schedule.
- (c) **TECHNICAL.** Items/Services shall satisfy or exceed the specifications described in RFQ/RFP Attachment A.
- (d) **PAST PERFORMANCE** - Seller can demonstrate his/her capability and resources to provide the items/services requested in this solicitation in a timely and responsive manner.
- (e) **OTHER EVALUATION CRITERIA.**

Warranty and Payment Terms
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12. **Award Notice.** A written notice of award or acceptance of an offer, mailed or otherwise furnished to the successful supplier within the time acceptance specified in the offer, shall result in a binding contract without further action by either party.
13. **Validity of Offer.** This RFP in no way obligates RTI to make an award, nor does it commit RTI to pay any costs incurred by the Seller in the preparation and submission of a proposal or amendments to a proposal. Your proposal shall be considered valid for 90 days after submission.
14. **Representations and Certifications.** Winning suppliers under a US Federal Contract are required to complete and sign as part of your offer RTI Representations and Certifications for values over \$10,000.
15. **Anti- Kick Back Act of 1986.** Anti-Kickback Act of 1986 as referenced in FAR 52.203-7 is hereby incorporated into this Request for Proposal as a condition of acceptance. If you have reasonable grounds to believe that a violation, as described in Paragraph (b) of FAR 52.203-7 may have occurred, you should report this suspected violation to the RTI's Ethics Hotline at 1-877-212-7220 or by sending an e-mail to [ethics@rti.org](mailto:ethics@rti.org). You may report a suspected violation anonymously.
16. **The John S. McCain National Defense Authorization Act for fiscal year 2019 - section 889.** RTI cannot use any equipment or services from specific companies, or their subsidiaries and affiliates, including Huawei Technologies Company, ZTE Corporation, Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, and Dahua Technology Company ("Covered Technology"). In response to this request for proposal, please do not provide a quote which includes any Covered Technology. Any quote which includes Covered Technology will be deemed non-responsive. Additionally, if the United States Government is the source of funds for this RFP, the resulting Supplier shall not provide any equipment, system, or service that uses Covered Technology as a substantial or essential component

**Acceptance:**

Seller agrees, as evidenced by signature below, that the seller's completed and signed solicitation, seller's proposal including all required submissions and the negotiated terms contained herein, constitute the entire agreement for the services described herein.

By: *(Seller Company Name)*

Signature: \_\_\_\_\_

Title:

Date: